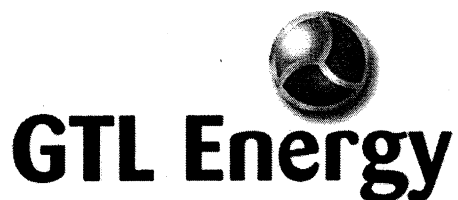


Attachment F
to
North Dakota Department of Health Response to Public Comments
GTL Energy, Ltd.
GTLE Dakota Plant 1 LLC Coal Beneficiation Plant

GTL Energy Response to Comments Dated March 18, 2009



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A subsidiary of GTL Energy Ltd in Australia.

18 March 2009

Mr Terry O'Clair
Director - Division of Air Quality
North Dakota Department of Health
918 E Divide Avenue, 2nd Floor
Bismarck, ND 58501-1947

Copy By Email Only

Dear Terry

GTLE Dakota Plant 1 LLC (GTLE): Air Permit Application

Upon reviewing comments that NDDH has received on the draft air permit for the GTLE Dakota Plant 1 LLC (Plant) to be located near South Heart, ND, the following information is being provided to help clear up apparent public misconceptions related to the source(s) of coal to be tested in the beneficiation process, water to be used at the Plant and the Sierra Club/Dakota Resource Council public flyer.

Company and Technology Background:

GTL Energy Ltd (parent of GTL Energy (USA) Limited and GTLE) is a process design, research and technology development company. It is not a mining company.

The GTLE 'Dakota Plant' at South Heart, ND, is designed to test the Company's proprietary beneficiation technology (GTLE Process). The GTLE Process will enable other local, national and foreign companies to market or consume a higher grade, more efficient fuel and to reduce emissions, particularly CO₂.

Beneficiation is achieved by removing moisture from the coal and does not alter other significant chemical or mineralogical constituents, which remain with the coal.

Source Information:

The Plant will receive crushed coal from existing suppliers of North Dakota lignite. Initial supplies will be trucked to the Plant from local sources such as Center Coal Company, located near Center, ND.

Raw 2"X0" lignite will be beneficiated to reduce its water content, thereby increasing the calorific value (Btu content). Final product will be a stable briquette suitable for transportation with little or no dust emissions.

Following testing and optimization of the GTLE beneficiation technology the Plant is expected to process lignite samples from any local, national, or foreign sources. In most cases, ownership of the coal will reside with the supplier.

Misinformation about the GNPD Gasification Project:

Many of the comment letters are written on the assumption that our Plant is a part of the proposed GNPD gasification project. This is not correct.

GNPD (or South Heart Energy Development LLC ("SHED")) is just one of many potential customers of the GTLE beneficiation technology. If the proposed South Heart Mine (SHM) is permitted and then ever opened, we would expect to receive test quantities of coal, no different to receiving test quantities of coal from any other technology customer. GTLE does not have any ownership interest in the proposed SHM.

Likewise, no GTLE product from the Dakota Plant will be supplied to the proposed SHED gasification plant. GTLE does not and will not have any ownership interest in the proposed gasification plant, and does not know when or if that project will ever be permitted and developed.

Both the proposed SHM and SHED gasification project are entirely separate projects to the Dakota Plant. The only link is that GNPD and SHED would like to license the GTLE beneficiation technology, if those companies ever proceed to develop a gasification plant in North Dakota, nationally or overseas.

The success of the Dakota Plant and of the GTLE beneficiation technology is not operationally or financially dependent on the actions of GNPD or SHED.

Water Use and Waste-water:

All water required for supporting the Plant, both potable and process water, will be supplied by the Southwest Water Authority by pipeline. No groundwater wells will be developed by GTLE for supply to the Plant.

Potable water used by employees will be disposed of in a septic system to be designed and installed on the Plant site in accordance with design and installation guidelines recommended by the Southwestern District Health Unit located in Dickinson, ND.

Process water will be used at the Plant for boiler make-up water and wash-down water when cleaning the Plant. Water used in wash-down will be clarified, stored and recycled while solid waste will be returned to the Plant product stream.

Boiler make-up water, also provided from Southwest Water Authority, will be further treated by a reverse osmosis treatment system prior to injection into the boiler and steam system. Minor amounts of boiler blow-down water and reject water from the reverse osmosis system will be stored in an impoundment on the Plant site and evaporated. Process water will not be discharged from the Plant site.

Domestic waste water and process water will not be commingled with each other or with water removed from the coal during the beneficiation process. Water removed from the coal in the GTLE Process will be evaporated at a low temperature and be emitted as water vapor from the dryer stack after passing through a baghouse to remove particulates.

Public Comment Letters:

The Sierra Club and its local affiliate Dakota Resource Council have solicited their members and the public to submit comments regarding GTLE's application for an Air Permit. Please see the attached (Appendix 1) copy of the solicitation which describes 5 prompts to the writers of public comment letters. This document was posted publicly. GTLE's responses to these 5 issues are as follows:

Prompt 1: GTLE Dakota Plant 1 LLC (GTLE) is an independent venture, wholly owned and operated by GTLE (USA) Limited, which is a wholly owned subsidiary of GTL Energy Ltd. It is not connected to any other project or company. It is an engineering research facility designed to test equipment and the Company's proprietary technology on coal that will be supplied from numerous State, National or Foreign sources.

Prompt 2 and 3: Air emissions and water usage data have been submitted to the ND Health Department and are included in the Air Permit and summarized above.

Prompt 4: GTLE's clean coal process removes moisture from the coal and does not release trace elements such as uranium. Uranium, if it is present in the raw coal, stays with the coal.

Prompt 5: Erroneously refers to a Mine Permit being required. GTLE is a technology development company not a mining company. This issue was previously determined by the ND Public Service Commission. GTLE conducted a public meeting in South Heart on 16 October 2008 and invited questions in advance. The majority of the comments on the Air Permit were addressed by GTLE at that meeting and again at the Stark County Commission Zoning Hearing.

We trust all the facts have now been correctly reported and we would be pleased to meet and discuss any remaining issues at your convenience.

Yours Sincerely

Kind Regards



Robert R French
Chief Executive Officer – GTLE Dakota Plant 1 LLC

Enc. Sierra Club/Dakota Resource Council Flyer

Appendix 1 – Sierra / DRC Flyer

SOUTH HEART NEEDS YOUR HELP

The ND Health Department is taking comments from citizens on whether to issue an air quality permit for the proposed GTL Energy coal "beneficiation" plant near South Heart, ND, just 13 miles from Theodore Roosevelt National Park.

Beneficiation is a process used to dry lignite coal to make it burn more efficiently. The GTL plant is part of a larger coal gasification/coal mine industrial complex proposed for the South Heart site by Great Northern Power Development based out of Houston, Texas. Great Northern is trying to separate the parts of the project in hopes of getting it through the permitting process more easily. Only looking at one small piece of the puzzle gives a false picture of the true consequences of allowing this project to move forward. We think the environmental, social, and health impacts should be looked at for the entire project.

This project will change South Heart forever!!!

PLEASE WRITE TO THE ND HEALTH DEPARTMENT and ask them deny the air quality permit until the true impacts are known for the entire project. Points to include in your letter:

- 1) **IT IS ALL ONE PROJECT:** The GTL coal beneficiation plant impacts should be evaluated in conjunction with the coal gasification plant and coal mine that are proposed for the same site.
- 2) **AIR POLLUTION:** GTL must have a clear plan for dealing with the particulate matter (soot) and the ND Health Dept. must require a detailed monitoring plan, including who will do the monitoring and how it's reported.
- 3) **WATER** issues must be resolved for the entire project before any permits are issued.
- 4) There is **URANIUM** in the coal at South Heart. Neither GTL nor Great Northern have said how they plan to deal with this hazardous material.
- 5) **LET THE PUBLIC SPEAK:** A public hearing should be conducted before any permits are issued. There has not been a new mining permit issued in North Dakota in 30 years. This is too important an issue not to allow the public every opportunity to express its opinion. The Health Dept. needs to know if the public wants a new coal mine opened to facilitate GTL's beneficiation plant before issuing an air quality permit.

SEND YOUR LETTERS TO:

Terry O'Clair

ND Dept. of Health Division of Air Quality

918 E Divide Ave.

Bismarck ND 58501-1947

Please have your letters to the ND Health Dept. by March 9, 2009. Thanks for your help on this important issue that will affect us all.

CONTACT: Mary, 701-483-7654